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OLL/LD INCOMING 12/ / FRP: .2, , ,6, , IMMEDIATE 25X1 NC 3970643 PAGE 001 84 3970643 SSD TOR: 220915Z APR 84 25X1 OO RUEAIIB ZNY SSSSS ZOC STATE ZZH DO RUEHO DE RUEHC #8261 1122128 ZNY SSSSS ZZH O 212113Z APR 84 FM SECSTATE WASHDC TO RUEHTH/AMEMBASSY ATHENS IMMEDIATE OOOO INFO RUQMQG/AMEMBASSY NICOSIA IMMEDIATE OOOO RUEHAK/AMEMBASSY ANKARA IMMEDIATE 0000 RUEHDT/USMISSION USUN NEW YORK IMMEDIATE 0000 SECRET STATE 118261

EXDIS

E.O. 12356 DECL: DADR

TAGS: PREL, GR, CY, TU

SUBJECT: APPROACH TO PAPANDREOU ON CYPRUS

REF: (A) STATE 117226; (B) STATE 117527; (C) STATE

- 1. (S ENTIRE TEXT). THIS IS AN ACTION MESSAGE. (PARA 6.)
- SUMMARY: WE ARE CONCERNED ABOUT THE POTENTIAL FOR OVERREACTION IN RESPONSE TO THE PRESENT SITUATION IN CYPRUS, WHICH COULD FORECLOSE THE OPTIONS FOR DIPLOMACY. IN THE WAKE OF THE EXCHANGE OF AMBASSADORS BETWEEN ANKARA AND THE TURKISH CYPRIOTS AND DENKTASH'S RESPONSE TO GOBBI ON THE SYG'S IDEAS, THERE ARE ALSO INDICATIONS THAT THE SECRETARY GENERAL MAY NOT CONTINUE HIS EFFORTS ON CYPRUS. WHATEVER THE IMPERFECTIONS OF THE CURRENT PROCESS, THE ALTERNATIVES TO THE SYG'S INVOLVEMENT AND DIPLOMATIC EFFORTS ARE ALMOST CERTAIN TO BE CONSIDERABLY WORSE FOR ALL CONCERNED. WE HOPE THE SYG WILL CONCLUDE HE CAN MAINTAIN THE CURRENT PROCESS AND KEEP DIPLOMATIC PROSPECTS ALIVE. OUTLINED BELOW FOR YOUR BACKGROUND IS OUR THINKING ON THE CURRENT SITUATION IN CYPRUS. YOU SHOULD CALL ON PRIME MINISTER PAPANDREOU PRIOR TO HIS MEETING WITH KYPRIANOU AND GREEK CYPRIOT PARTY LEADERS TO URGE THAT HE EXERCISE RESTRAINT. END SUMMARY
- AS WE PREPARE FOR THE UN SECURITY COUNCIL SESSION (PROBABLY MAY 2 OR 3), THE POTENTIAL FOR FURTHER ACTS BY BOTH SIDES WHICH FURTHER DAMAGE THE PROSPECTS FOR DIPLOMATIC EFFORTS ON CYPRUS HAS INCREASED. THE SYG MAY BE LOSING HEART FOR HIS EFFORT ON CYPRUS, BASED ON HIS BELIEF THAT THE INTEGRITY OF HIS OFFICE IS AT STAKE. WE BELIEVE, HOWVER, THAT TERMINATION OF THE SYG'S ROLE WOULD PRESENT US, THE CYPRIOT PARTIES, GREECE AND TURKEY, AND THE UN WITH EVEN GREATER DIFFICULTIES THAN WE NOW FACE. GOBBI AND WE BELIEVE THERE ARE POSSIBILITIES FOR FURTHER DISCUSSION WITH THE PARTIES AND FOR THE SYG TO CONTINUE HIS ROLE. WE ARE PRESENTLY LOOKING FOR WAYS TO REINFORCE THIS MESSAGE, INCLUDING POSSIBLE HIGH-LEVEL COMMUNICATION FROM US TO

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PEREZ DE CUELLAR URGING HIM NOT TO ABANDON THE EFFORT.

- 4. IT HAS LONG SEEMED PROBABLE THAT DENKTASH'S RESPONSE TO THE SYG'S PROPOSALS, WHEN IT CAME, WOULD FALL SOMEWHERE BETWEEN TOTAL ACCEPTANCE AND TOTAL REJECTION. THE UNREALISTIC AND DISAPPOINTING ELEMENTS IN DENKTASH'S RESPONSE NOTWITHSTANDING, THERE ARE ELEMENTS IN THE CURRENT SITUATION WHICH MAY PRESENT OPPORTUNITIES TO KEEP PROCESS ALIVE (I.E., VAROSHA FORMULA). WE ARE ENCOURAGING THE SYG TO CONSIDER WAYS TO MAKE THE BEST OF THEM.
- 5. LATEST DEVELOPMENTS HAVE RAISED THE PROSPECT OF STRONG REACTIONS BY BOTH SIDES. THE GOVERNMENT OF CYPRUS HAS CALLED FOR A UN SECURITY COUNCIL MEETING, WHICH WILL PROBABLY BE HELD MAY 2 OR 3. KYPRIANOU HAS ADVANCED HIS MEETING WITH PAPANDREOU TO APRIL 26. EVERY EFFORT MUST BE MADE TO DISCOURAGE THE PARTIES FROM OVERREACTING, WHICH COULD FURTHER INCREASE THE SYG'S RELUCTANCE TO CONTINUE HIS ROLE AND PERHAPS FORECLOSE DIPLOMATIC SOLUTIONS. PAPANDREOU'S MEETING WITH KYPRIANOU AND CYPRIOT PARTY LEADERS WILL HAVE AN IMPORTANT INFLUENCE ON GREEK CYPRIOT ACTIONS AT THE UN AND ON THEIR REACTION TO THE CURRENT SITUATION.
- 6. ACTION REQUESTED: AMBASSADOR ON HIS RETURN TO ATHENS SHOULD SEEK AN APPOINTMENT WITH PAPANDREOU APRIL 24 OR 25, FOR DISCUSSION OF CYPRUS DRAWING ON REFTELS AND TALKING POINTS BELOW. (WE UNDERSTAND WITH HOLIDAY SEASON AND CODEL O'NEILL SCHEDULING MAY BE DIFFICULT. PLEASE INFORM DEPARTMENT IMMEDIATELY IF PAPANDREOU WILL NOT BE AVAILABLE.) WE WILL BE MAKING SAME POINTS WITH AMBASSADOR PAPOULIAS HERE.
- -- WE SHARE YOUR DISAPPOINTMENT OVER RECENT DEVELOPMENTS IN CYPRUS. WE ARE URGING ALL PARTIES TO EXERCISE RESTRAINT, AND WE HOPE YOU WILL COUNSEL THE GOVERNMENT OF CYPRUS ALONG THESE LINES.
- -- THE TURKISH-TURKISH CYPRIOT EXCHANGE OF AMBASSADORS WAS AN ACTION WHICH WE DEEPLY REGRET. WE HAVE EXPRESSED OUR VIEWS ON THE UNHELPFULNESS OF THIS ACTION PUBLICALLY AND DIRECTLY TO THE PARTIES INVOLVED.
- -- THE TURKISH CYPRIOT RESPONSE TO THE PROPOSALS WAS DELAYED AND NOT AS FORTHCOMING AS WE HAD HOPED, THOUGH IT DID CONTAIN ELEMENTS, SUCH AS THE VAROSHA PROPOSAL, WHICH COULD SERVE AS THE BASIS FOR FURTHER DISCUSSION.
- -- WE WOULD BE LESS THAN CANDID IF WE DID NOT SAY THAT WE CONTINUE TO BELIEVE THE SENATE FOREIGN RELATIONS COMMITTEE ACTION LINKING THE RETURN OF VAROSHA TO OUR SECURITY ASSISTANCE PROGRAM WAS A MISTAKE AND HELPED CONTRIBUTE TO THE CURRENT SITUATION. WE WILL CONTINUE OUR EFFORTS TO ASSURE THAT IT DOES NOT BECOME LAW.
- -- THE SYG IS EVALUATING THE CURRENT SITUATION TO SEE IF OPPORTUNITIES FOR PROGRESS EXIST. WE BELIEVE THEY DO. THE GOVERNMENT OF CYPRUS AND THE TURKISH CYPRIOT COMMUNITY HAVE IMPORTANT LONG-TERM INTERESTS IN A SETTLEMENT, AS DO TURKEY AND GREECE.
- -- IT WOULD BE A GREAT MISTAKE AT THIS CRITICAL TIME TO MAKE GESTURES WHICH COULD FORECLOSE DIPLOMATIC OPTIONS. WE ARE URGING ALL PARTIES TO AVOID FURTHER DAMAGE TO THE DIPLOMATIC PROCESS.
- -- IN PARTICULAR, RECOURSE TO MILITARY MEASURES COULD LEAD TO DANGEROUS TENSIONS. SPECULATION ON AN

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INCREASED PRESENCE ON THE ISLAND, OR DRAMATIC INCREASES IN MILITARY CAPABILTIES IN CYPRUS, WOULD LIKELY LEAD TO GREATER INSECURITY. SO TOO WOULD PUNITIVE STEPS DESIGNED TO PUT PRESSURE ON THE TURKISH CYPRIOT COUMUNITY.

- -- WE UNDERSTAND THE FRUSTRATION OF THE CYPRIOT AND GREEK GOVERNMENTS OVER THESE EVENTS AND THE GOC'S DECISION TO SEEK A MEETING OF THE SECURITY COUNCIL. HOWEVER, WE HOPE NOTHING WILL OCCUR IN NEW YORK WHICH MAKES THE PROSPECTS FOR PRIVATE DIPLOMACY MORE DIFFICULT AND LEADS TO COUNTER-REACTIONS.
- -- WE HOPE THE UNSC DEBATE WILL FOCUS ON THE NEED TO REINFORCE AND SUPPORT THE SYG'S MANDATE AND GOOD OFFICES ROLE.
- -- THE UNSC DEBATE SHOULD FOCUS ON REALISTIC PROPOSALS FOR PROGRESS, RATHER THAN SERVE AS A FORUM FOR CONDEMNATION OF ANY OF THE PARTIES OR FOR UNENFORCEABLE, PUNITIVE GESTURES.
- -- IF THE SYG WERE TO TERMINATE HIS INVOLVEMENT, IT WOULD PRESENT SERIOUS DANGER TO ALL PARTIES INVOLVED. DESPITE RECENT DISAPPOINTMENTS, ALTERNATIVES TO SYG'S ROLE ARE MUCH WORSE, AND UNLIKELY TO LEAD TO PROGRESS.
- -- WHILE WE EXPECT ALL CONCERNED TO EXPRESS THEIR STRONGLY HELD VIEWS, EXCESSIVE PUBLIC RHETORIC MAY SERVE TO HARDEN ATTITUDES. WE HOPE ALL THOSE INVOLVED WILL AVOID THREATENING STATEMENTS WHICH WILL LEAD TO COUNTER-REACTIONS.
- -- THE US REMAINS COMMITTED TO A JUST AND LASTING SETTLEMENT ON CYPRUS. WE ARE URGING ALL PARTIES CONCERNED TO SUPPORT DIPLOMATIC EFFORTS TO FIND SOLUTIONS. WE WANT TO EMPHASIZE OUR INTEREST IN WORKING CLOSELY WITH YOUR GOVERNMENT, BOTH IN ATHENS AND WITH AMBASSADOR PAPOULIAS IN WASHINGTON, TO SEEK CONSTRUCTIVE SOLUTIONS TO THE PROBLEM. DAM

END OF MESSAGE

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